

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF PURCHASE)	
PUBLIC SERVICE CORPORATION, A)	
KENTUCKY CORPORATION, AND)	
SANITATION DISTRICT NO. 2 OF MARSHALL)	CASE NO. 2000-031
COUNTY, KENTUCKY FOR APPROVAL OF)	
THE TRANSFER OF THE DRAFFENVILLE)	
WASTEWATER TREATMENT FACILITY)	

O R D E R

On January 20, 2000, the Purchase Public Service Corporation ("Purchase") and the Sanitation District No. 2 of Marshall County, Kentucky ("Sanitation District No. 2") filed a joint petition for Commission authority to transfer the Draffenville Sanitary Sewer System from Purchase to Sanitation District No. 2.

KRS 278.020 requires the Commission to ascertain if the person acquiring utility assets has the financial, technical, and managerial ability to provide reasonable service.

IT IS THEREFORE ORDERED that Purchase and Sanitation District No. 2 shall file with the Commission the original and 4 copies of the following information, as it applies to each, with a copy to all parties of record, within 10 days from the date of this Order. Purchase and Sanitation District No. 2 shall include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure its legibility. When applicable, the requested information should be provided for total company operations and jurisdictional operations, separately.

1. Provide a copy of the Sanitation District No. 2's 1998:
 - a. Balance sheet.
 - b. Income statement.
 - c. Statement of retained earnings.
 - d. Cash flow statement.
2. Provide a copy of the Class 2 operator's certificate for Tony Jones.
3. Provide the number of customers served by Purchase.
4. Provide the number of customers in the "Cardinal Group."
5. Provide the number of customers served by the Draffenville Sanitary Sewer System.
6. Explain the effect the transfer of the Draffenville system will have upon the remaining customers. Include in your explanation a full discussion of the likelihood that the proposed transfer will require a rate increase for the remaining customers of the Cardinal Group or Purchase.

Done at Frankfort, Kentucky, this 29th day of February, 2000.

By the Commission

ATTEST:

Executive Director